

August 18, 2021

Mark Shepard, City Manager
City of Corvallis
501 SW Madison Ave
Corvallis, OR 97333

Cc:
Jim Brewer, City Attorney
Paul Bilotta, Community Development Director
Hyatt Lytle, Ward 3 Councilor
Charles Maughan, Ward 2 Councilor

Dear Mr. Shepard,

We are writing to appeal the recently issued Land Use Compatibility Statement (LUCS) for the Hollingsworth and Vose (H&V) DEQ air emissions permit application issued by Community Development staff to DEQ on June 4, 2021 (Attachment D).

H&V is pursuing a new DEQ air discharge permit and new EPA Title V permit, after they were discovered to be in violation of their previous permit. Filing for this new permit triggers two City actions: 1) the City is asked to submit a Land Use Compatibility Statement (LUCS) as part of the state permitting process to evaluate whether the permit is consistent with local law; and 2) our local conditional use process is triggered (LDC).

This appeal follows communications with both H&V and Community Development staff over the years, including very recent exchanges with staff about the current Land Use Compatibility Statement. Many community concerns were summarized in a letter from 300 community members to H&V and City leaders in January of 2020 (see Attachment C). More specific concerns and requests for information were included in a recent letter to the Community Development Director on June 23, 2021 (see Attachment B). We were informed on July 22 that rather than reply to the letter, staff would await this formal appeal to the City Manager. Please consider both letters as supporting documentation for this appeal.

Our appeal consists of four challenges, which we detail in the following pages:

- 1) City staff issued a new 2021 LUCS indicating an expectation for compliance with future emission limits, while H&V is currently out of compliance with the existing 2006 LUCS.**
- 2) City staff bypassed our Conditional Development process that involves Planning Commission and considers public input, required by both Mixed Use Transitional and Willamette River Greenway code.**
- 3) City staff engaged in an unusual agreement with H&V that establishes an improper status quo of pollutant levels and includes questionable accuracy and enforceability.**

- 4) City staff issued a LUCS that includes material errors, omissions, and ambiguities.

I. Relevant Background

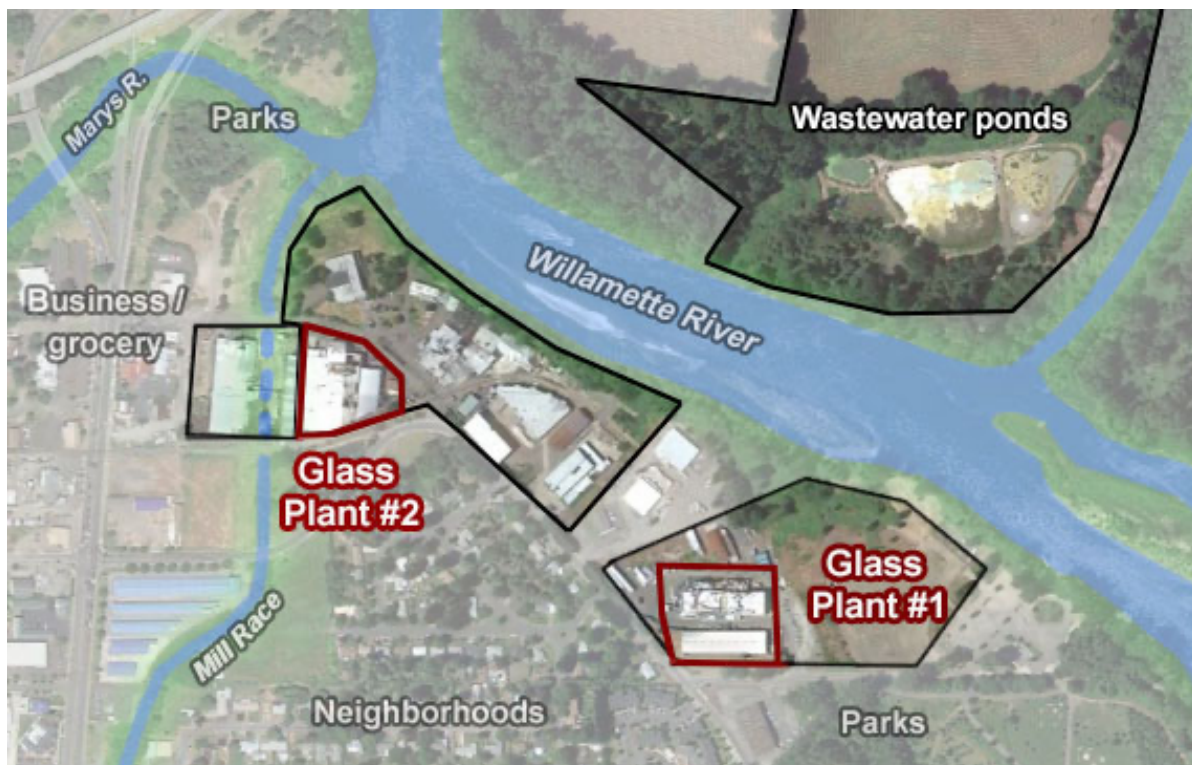
Hollingsworth and Vose occupies 40+ acres of prime real estate along the West Bank of the Willamette River near the Marys River confluence, the Mill Race, and adjacent to Historic Downtown Corvallis, the region's central business district.

This industrial facility is at the intersection of three of Corvallis' most popular parks and greenways: densely forested Avery Park and Marys River corridor; Downtown Corvallis' star Riverfront Park and Shawala Point, and the large Willamette / Crystal Lake Parks featuring a boat launch, heavily used sports fields, multi-use paths, and trails.

H&V's West Bank properties contain at least 10 large industrial manufacturing and warehouse buildings, including two Glass Plants (#1 and #2) that utilize natural gas combustion furnaces and fiberizing equipment to produce raw glass fiber products. These plants emit several toxic air pollutants, which are overseen by Oregon DEQ under federal EPA laws.

H&V also owns an additional 50+ acres on the East Bank of the Willamette River in Linn County. Their East bank property includes settling ponds that receive toxic wastewater from the West bank properties via a pipe under the Willamette River.

The current discussion focuses on the properties containing Glass Fiber Plants #1 & #2, highlighted in the map below, in the context of approximate H&V property blocks.



II. Zoning Context: How We Got Here

The City's relationship with H&V begins before the H&V/Evanite properties were formally annexed as part of the City of Corvallis in 1987, when Evans Products engaged in a land use process with Benton County to locate a Glass Fiber Plant (GF1) to this location, a site historically used to manufacture clay pipe, in 1979.

At that time, Benton County zoning and City of Corvallis Comprehensive Plan designations for the property both allowed for "General Industrial" uses, the lighter end of the spectrum of industrial uses. Additionally, this property, as well as three other riverfront properties owned by Evans Products (H&V/Evanite) were and still are located in the **Willamette River Greenway, a designation addressing (State Planning Goal 15)**, created in 1973 to protect and restore the natural qualities of the river and its riparian areas.

As part of that County land use process, the City of Corvallis presented testimony to the County in opposition of the proposal because locating Glass Fiber 1 at this location would constitute placing an *Intensive Industrial Use* in a *General Industrial Zone* (both County and eventually City), and would not be compatible with the surrounding residential neighborhood. However, the County approved the application, and Evans Products made the choice to follow through with the construction of Glass Fiber 1, knowing that it did not match the City's eventual zoning.

When the Glass Fiber 1 property was annexed to the City in 1987, it was zoned General Industrial, consistent with the Comprehensive Plan map. That plant, therefore, became a legal (pre-existing) non-conforming use that is allowed to continue, but not allowed to expand. This was confirmed by LUBA in 1989 in *Moorefield, et al, v Corvallis* (when Evanite proposed expansion of GF 1).

The location of the future Glass Fiber 2, however, was zoned Intensive Industrial at the time of annexation and is not included in the Willamette River Greenway. Because of the previous zoning, GF2 is allowed to expand upon meeting criteria in a Conditional Development review (see prior zoning map, Attachment F).

Although Use definitions of General Industrial and Intensive Industrial have been updated and clarified since that time, the characteristics of the operations of both Glass Fiber plants have consistently remained within the Use definition of Intensive Industrial.

Additional City Planning Process

While H&V/Evanite was building plants, the community initiated a robust citizen-lead public engagement process including over a hundred hours of citizen testimony and resulting in the South Corvallis Area Refinement Plan (1999). One outcomes of the Plan was a new Mixed Use Transitional (MUT) Zone that would apply to the H&V/Evanite properties as a compromise solution to the conflicts between adjacent

uses, by allowing H&V/Evanite to continue their existing operations, while encouraging a transition over time to uses more compatible with the residential neighborhood and the South Corvallis riverfront.

The MUT Zone, as implemented in Comprehensive Plan policies and code, was clearly intended to avoid expansion of uses and impacts that were already more intensive than allowed by their zoning (Glass Fiber 1), and limit intensification of any industrial uses without demonstrating compatibility with the surrounding neighborhood through Conditional Development review. To accomplish that, the zone allows a variety of other less intensive uses, with the expectation that the intensive uses will be replaced over time.

In writing the MUT criteria for allowed uses, LDC 3.21.30.c.3 was specifically worded to maintain the status of Glass Fiber 1 as a non-conforming Intensive Industrial Use in the MUT Zone, because it was within a General Industrial Zone at the time of the change to MUT:

Intensive Industrial – limited to properties zoned Intensive Industrial at the time of change to MUT, and subject to limitations in Section 3.27.40 of Chapter 3.27 – Mixed Use Employment (MUE) Zone.

Table 1. Zoning summary for H&V Glass Fiber 1 and Glass Fiber 2 plants

	Glass Fiber 1	Glass Fiber 2
Current Zoning	1. Willamette R Greenway 2. Mixed-Use Industrial (MUT) (from General Industrial) Legal non-conforming use	1. Mixed-Use Industrial (MUT) (from Intensive Industrial)
Prior City zone	General Industrial	Intensive Industrial
Development restrictions	No expansion of footprint allowed. Increases in emissions only conditionally allowed	Expansion conditionally allowed subject to emissions limits and MUT standards, requires CD process

Analysis of Zoning Implications

Both the Mixed Use Transitional zone and Willamette River Greenway zone have explicit code that applies to air emissions and associated permitting.

1) Mixed Use Transitional (MUT) Zone (Corvallis LDC)

Both H&V Glass Plants #1 and #2 are in the MUT zone, which includes the following code:

LDC 3.21.30.d.1 – [CONDITIONAL DEVELOPMENT REQUIRED WHEN] Changes in operations of existing General and Intensive Industrial Uses under the following conditions: 1. A change in operation or increase in production that creates the need to secure approval from an environmental permitting agency to increase air, water, or noise emissions, unless such emission levels were approved by the City through a previous land use process

2) Willamette River Greenway (WRG) Zone overlay (Corvallis LDC, State Planning Goal 15)

H&V Glass Plant #1 is also in the WRG zone/overlay, which includes the following code:

LDC 3.30.20 - Development within this Overlay, regardless of the classification in the underlying zone, requires Conditional Development approval in accordance with the provisions of Chapter 2.3 -Conditional Development. In addition to notification requirements of Chapter 2.0 -Public Involvement, written public notice and a Notice of Disposition shall be mailed to the Oregon Department of Parks and Recreation. Development as used in this Section includes change of Use, intensification of land, or intensification of Water-dependent or Water-related Uses, except for those activities listed as exemptions in Section 3.30.30 below. Development also includes proposed increases in air discharges that require permit approval by the Oregon Department of Environmental Quality (DEQ).

Both properties are within the MUT zone and are required to secure approval from an environmental permitting agency and are therefore subject to a Conditional Use review. Additionally, Glass Fiber 1 is in the Willamette River Greenway and is subject to the additional requirements listed above and summarized in the Table 1 (above).

III. History of DEQ Permitting and Land Use Compatibility Statements

Since prior to the time that H&V purchased and redeveloped the plant in 1995-96 - amidst strong community opposition to industrial redevelopment in the Willamette River Greenway - this facility has required a permit from DEQ for air emissions for regulated pollutants. As part of that permitting process, the City, as the local land use authority, is asked to complete a Land Use Compatibility Statement (LUCS).

The LUCS is not only required as part of the DEQ permitting process, but it is an especially critical document in emissions permitting. By Oregon Administrative Rule (Chapter 340, Division 18), the DEQ relies on the City to determine, from a land use and zoning perspective, whether emissions at the level considered for a permit are compatible with the City's Comprehensive Plan and zoning ordinances. DEQ does not independently evaluate compatibility with surrounding neighborhood, landscape, and land uses; it relies entirely on local jurisdictions to reference applicable plans, code, etc., for appropriateness. Just as the City is not in the role of directly regulating air or water quality and contaminants, DEQ is not in the role of evaluating local land use plans and code. However, by code, the City does have a responsibility for determining if proposed increases in emissions are compatible with surrounding land uses or community as a whole, which is the intended purpose of the required Conditional Development review.

In conjunction with H&V's 1996 DEQ Air Contaminant Discharge Permit, the City issued a Land Use Compatibility Statement (LUCS). Subsequently, some of the limits in this permit were amended (increased) by DEQ in 2004 to reflect the revised 1996 estimated emissions levels (see Table 2 below). **The amended levels associated with the 2004 LUCS are the official acceptable level of pollutants allowed by the current conditional use approval.**

Table 2. Summary of permitted pollutants for Glass Fiber #1 and #2 combined, with 2015 measured levels, permit violations (in red), EPA Title V requirement, and requested levels in the pending DEQ/EPA permit.

Emissions	Pollutant (tons/year)						
	PM	PM10	SO2	NOx	CO	VOC	Flu
1996 Original Permit	46.3	49.2	21.5	67.7	15.2	77.9	2.6
2004 Revised Permit	46.3	49.2	14	67.7	60.8	80.9	2
2015 Measured levels	39			27	457		7.6
EPA Title V required?					YES		
Requested permit (2021)	24	14	39	40	986	39	1
Reported annual average (March 2021)					131.9*		

*CO levels continue to be underreported as confirmed by DEQ, and are likely much higher than recent reports indicate

In 2015, DEQ discovered a major and persistent violation of H&V's DEQ air permit limits. Source testing revealed emissions of Carbon Monoxide and Fluorides that significantly exceeded permitted levels. H&V was fined by DEQ and entered into an agreement with DEQ to apply for a new DEQ air discharge permit and EPA Title V permit, with an interim temporary Prevention of Significant Deterioration (PSD) permit that allowed the higher emission levels to continue while H&V pursued their DEQ/EPA permit application process.

Notably, this violation of DEQ pollutant limitations also demonstrates a violation of the City's MUT and WRG zone restrictions. In other words, H&V was demonstrably out of compliance with our local land use code.

The interim DEQ permit for emission levels higher than those in the 2004 permit should have triggered an immediate process to reduce those emissions to (2004) permitted levels, in order to stay in compliance with the LDC.

Furthermore, H&V should have been required to submit an application for Conditional Development for Glass Plant 1 & 2 (LDC 3.21.30.d.1), and a Willamette River Greenway Conditional Development Permit for Glass Plant 1 (3.30.20), requesting approval of the higher limits within the interim DEQ permit. **H&V did not apply for Conditional Development, nor did the City enforce compliance with LDC.**

In the absence of City enforcement, a code violation complaint was being considered by community members. In 2019, a meeting was held with Community Development staff, along with two City Councilors, in which City staff reassured community members that there would be a public land use process associated with the DEQ permit and LUCS, and that the LUCS would not be issued directly by staff. As H&V remains out of compliance with our current code, it is still vulnerable to a complaint and the resulting code enforcement.

The lack of the City's enforcement of its Code has subjected community members to illegal levels of toxic pollutants and unnecessarily compromised the health of our environment.

This failure to enforce code cannot be a basis for considering H&V's current operations to have been approved or 'legal' in any subsequent land use approvals (including the 2021 LUCS currently at issue).

Additional H&V spills and stresses

In addition to persistent illegal air emissions that we focus on here, **H&V has had several toxic spills into the Willamette River and many noise/nuisance conflicts with the neighborhood since they took ownership of this facility**, and their blighted, aging infrastructure blocks access to and movement along the Willamette River and Mill Race. For these reasons, **our neighborhood and community have spoken loudly and in many forums that H&V is causing harm, stress, and distrust among the community, most recently in a community letter to H&V and City Leadership, with over 300 signers** (see letter text in Attachment C):

<https://www.thepetitionsite.com/632/250/026/a-community-appeal-from-corvallis-neighbors-to-hollingsworth-amp-vose/>

In the last 10 years, H&V has had at least two documented spills and DEQ violations from their wastewater system into the Willamette River. H&V's spills and permit

violations demonstrate chronic and acute transport of pollutants onto adjacent properties, waters, sediments, and soils, and suggest overall pattern of negligence to both monitor and contain this transport. **In fact, the Oregon Department of Environmental Quality has recently prioritized H&V's health/public trust risks in its Cleaner Air Oregon Program, which has selected H&V to be among the first 20 polluters in the state for a Cleaner Air Oregon Health Risk Assessment.**

Additionally, Oregon DEQ also oversees a multi-decade clean-up of a toxic Trichloroethylene (TCE) spill by former owner, Evanite, that impacts soils, groundwater, and residential wells on H&V properties and neighboring City and private properties.

IV. Land Use Compatibility Statement for pending DEQ permit application

To continue their production, **H&V is now applying for a new DEQ air permit with higher emissions limits** for certain regulated pollutants and an overall increase in the amount of federally regulated pollutants, *which triggers a threshold for an additional federal EPA Title V permit*, which this site has not had before. **(This is a significant action as there are few other Title V permit holders in Benton County).** This DEQ permit application requires a new Land Use Compatibility Statement (LUCS) to be issued by the City that affirms that these emissions are compatible with State Planning Goals and local land use plans and code.

On June 4, 2021, City staff independently issued a new LUCS for the pending H&V DEQ / EPA Title V air discharge permit application which we believe is lacking in code-required process, adherence to DEQ permitting norms, and overall accuracy (see Attachment D).

In its recent actions, we believe the City has failed to fulfill the City's role within the air quality permitting process, and has acted in conflict with both the spirit and specific code of the Willamette River Greenway and the Mixed Use Transitional zones. **To be clear, the City's role is to evaluate compatibility of proposed emission levels given the adjacent land uses, and it is precisely why Code language for compatibility review criteria includes noise, odors, and emissions, within a larger list of factors.**

Lack of appropriate land use process

In conflict with the relevant MUT and WRG codes (see p. 2-3 above) and against prior assurances by Planning Staff, a land use process and Planning Commission decision was not invoked for Conditional Development review. Instead, City staff simply supported the LUCS required for the DEQ permit, and apparently engaged in negotiations resulting in an agreement with H&V relating to emissions levels. **We stress that the LUCS for H&V's current DEQ air permit application can only be approved and issued through a Conditional Development process as prescribed by code verbatim – as written and intended.**

Prior to granting any new LUCS, the City is obligated to follow LDC requirements applicable to H&V Glass Plants 1 & 2 (see highlighted MUT/ WRG code for Conditional Development, above). Therefore, an application for a LUCS by H&V should either:

1. Demonstrate compliance - Be accompanied by evidence of a revised Air Quality Discharge Permit application with DEQ for emissions levels that match the 2004 emissions levels, and evidence of current compliance with those levels; or
2. Apply for permit and undergo required review - Be preceded by an approved application for Conditional Development in the MUT for both Glass Plants #1 and #2, and an approved application for Conditional Development in the Willamette River Greenway for Glass Plant #1, which evaluate whether emissions at the highest levels permitted in the pending DEQ and Title V permits meet LDC compatibility criteria.

Unusual City-H&V Agreement

In addition to by-passing the LDC-required process, we were surprised to learn that **the recently issued LUCS for the pending DEQ air permit application included an agreement between the City and H&V that had explicit reference to pollutant limits, among other items. Given the technical nature of air emissions, complex permitting history, prior standards, etc., this City-polluter agreement would seem to be well outside of the City staff expertise and jurisdiction.** In fact, staff members themselves have often reminded us that the City is not in a position to regulate polluters, and yet this agreement seems to engage in that very activity. **DEQ staff have also confirmed that such an agreement between a City government and a polluter is uncommon, if not unheard-of.**

It appears as though H&V has attempted to create a variation of the option #1 above (demonstrate compliance), but without actually revising its approved limits with DEQ, and instead utilizing this "Agreement" with the City to appear to stay within the 2004 permitted levels. Regardless of the motivations, **we stress that this Agreement is inadequate to meet both the intent and language of the Code, which requires they maintain the levels in the 2004 DEQ permit or pursue option #2 above.**

In fact, we are concerned that continuing to pursue the EPA Title V permit or the permanent DEQ permit at higher levels appears to demonstrate the there is no intention whatsoever for H&V to comply with our existing code.

In summary, we see this agreement between the City and H&V as an ill-advised by-product of not following Conditional Development requirements for public process prescribed by code. If such an agreement were ultimately necessary, it should only be entered into as the result of a public process that considers community input and scrutiny (as DEQ permitting processes do).

Inaccuracies in the Land Use Compatibility Statement

In addition to the challenges and problems detailed above, we see the following issues and omissions or errors in the LUCS document signed 6/4/21:

- The copy of the LUCS provided does not include the applicant's description of the project in section 1C, but says "See Attachment." The only attachment is the Agreement between H&V and the City, which does not include a proper or adequate description for an operation of this scale.
- Section 2F states that, "Yes, the activity or use is permitted outright ... The existing Intensive Industrial use is permitted by right based on the MUT zone standards. The MUT zone was adopted as part of the 2006 Corvallis Land Development Code / periodic review update (Ordinances 2006-24 and 2006-29)." This is a significant error:
 - This accurately describes Glass Plant #2, which is an outright permitted use in the MUT Zone under LDC 3.21.30.c.3: "Intensive Industrial—limited to properties zoned Intensive Industrial at the time of change to MUT ... "
 - However, as explained above, the property occupied by Glass Plant #1 was General Industrial at the time of the change to MUT, as it had been since prior to annexation to the City. **Glass Plant #1 is therefore a legally non-conforming intensive industrial use, as it was under its pre-existing zoning as General Industrial.**
 - If the Agreement results in no increase in air discharges over 2004 limits at either plant, correction of this error may not change your determination of compatibility at this time. However, as a signed statement to DEQ, and to avoid future misunderstandings, these statements need to be amended for accuracy.

The LUCS cites the Agreement between H&V and the City as evidence that there is no increase in emissions that would trigger the need for Conditional Development approval. Since the LUCS is intended to confirm compatibility on the date of signing, the City appears to be indicating that H&V is in compliance with the Agreement, and the 2004 limits, as of the signing date of 6/4/21. However, there is no documentation of any emissions testing process confirming this is true. Please see our additional related questions in our letter to staff dated June 23, 2021 (Attachment B).

Detailed criticisms of the agreement

The following points illustrate how the City-H&V agreement attached to the LUCS fails to comply with or implement code standards and serves to undermine enforcement.

- Recital B indicates that "*H&V has not, to date, built all of the fiberizing positions allowed by the 1996 LUCS/air permit.*" This is inaccurate, and mis-represents the 1996 LUCS. In fact, the City's LUCS was based on allowing operations within the permitted levels for specific contaminants, and did not specifically permit or limit the number of fiberizing positions within those discharge limits.

- Recital G indicates that “H&V will not increase operations or production levels beyond what was allowed in 2004 without requesting a Conditional Use Permit.” Again, this mis-represents what was allowed in 2004, and is inconsistent with the LDC. No operations or production levels were identified for the 1996 or 2004 LUCS, but only discharge limits for specific air contaminants. However, **the trigger for requesting Conditional Development approval is exceeding the 2004 discharge limits, which has already occurred.**
- **The wording in Recital G, as noted above, is not related to Code standards, which are not based on operations or productions levels, but only on discharge levels.** This departure from Code is not fully rectified by Terms of Agreement No. 3. To be consistent with Code standards, and demonstrate compliance with the Code, this must be re-worded to clearly state that H&V agrees to keep emissions at or below the 2004 levels for each contaminant as shown in Attachment 2 of the agreement, and limit operations or production, or improve emissions controls, in order to achieve that.
- Terms of Agreement No. 3 also states that “*compliance with this requirement shall be demonstrated annually using the formula in Attachment 3.*” In order for this portion of the Agreement to implement Code standards, and demonstrate that a formula is an accurate and meaningful substitute for emissions testing (as required in their 2004 permit), Term No. 3 must reference the following.
 1. The validated scientific basis for the formula.
 2. A description of whether the formula is:
 - a) based on independent measurements for each of the activities listed for H&V, and the actual emissions over that period; and
 - b) accepted by DEQ or another regulatory body as a reasonable substitute for actual emissions testing.
 3. How the formula accounts for the fact that Glass Plants 1 & 2 utilize different production processes and differential emissions rates

Without adequate validation of the basis of the formula, the Agreement is meaningless, and therefore cannot be considered a means to guarantee on-going compliance with the 2004 limits.

- Terms of Agreement Nos. 4 and 5 are not consistent with Code language, and cannot therefore be used to support a LUCS representing consistency with the Code:
 - No. 4 requires notification if seeking “*an air permit modification authorizing expansion of operations at the Facility.*” To meet the language in the Code, this should be worded as “an air permit modification authorizing an increase in emissions,” even if there is no expansion of operations.
 - No. 5 requires notification prior to “*any planned increase in production that based on modeling/analysis/sampling is reasonably likely to increase actual emission of pollutants beyond the 1996/2004 LUCS limits (calculated as shown in Attachment 3).*” To accurately reflect Code requirements, the language should delete the reference to production, and instead require notification when “modeling/analysis/sampling indicates a reasonable likelihood of an increase in actual emission of pollutants beyond the 1996/2004 LUCS limits.”

- Terms of Agreement No. 6 requires the submission of annual reports using the formula by March 15 of each year, but does not provide a **start date** or indicate submission of a **present-day baseline report**.
 - The LUCS issued on 6/4/21 stated that H&V was compliant with the 2004 limits on that date. In light of recent documented violations of those limits, this conclusion should not be drawn in the absence of evidence. We have not yet received documentation of that evidence as requested of staff.
 - Specifically, current compliance with 2004 limits, as reported in the LUCS signed by staff, is not supported by DEQ's most recent data. Although we don't have emissions reports for other contaminants, the 1st Quarter Report from H&V to DEQ (see Attachment E), reports their Rolling 12-mo Average emissions for CO during the quarter. The April 2020-March 2021 Rolling Average showed Plant #1 at 15.64 tons/year, which is within the 2004 limit of 30.4 tons/year (although substantially aided by the plant being shut down since June 2020). **Plant #2, however, reports a Rolling Average for that annual period of 116.3 tons/year, nearly four times its 2004 limit of 30.4 tons/year.**
 - **Unless H&V showed other evidence prior to the LUCS signing that it had decreased CO emissions to the permitted levels, the LUCS is not based on the best available emissions data, and must be rescinded.**
 - We have learned through a DEQ inquiry that the **CO levels in all recent quarterly reports are still using an erroneous formula to estimate CO, and apparently underreporting this contaminant.** This is affirmed by the 986 tons/year CO level that H&V is requesting in pending DEQ permit application (nearly an order of magnitude greater than what is reported), and federal Title V permit requirement that is triggered by levels 100 tons/yr or higher.

The City's decision to issue a LUCS without a Conditional Development process lacks both due process and necessary community transparency and engagement, and the decision to engage in an unprecedented and problematic City-Polluter agreement invites further scrutiny, as do accuracy errors in the LUCS document itself.

Staff have provided several justifications for the decision to issue the LUCS, which are erroneous and not consistent with code. Our responses to these are outlined in our letter to staff dated June 23, 2021, and included as Attachment B.

Requests

It should be clear to City leadership that issues around H&V should be treated with utmost care, diligence, transparency, and due process. Yet, in the present intensification of use and DEQ/EPA permitting this intensification requires, the City has not held H&V to the land use rules and processes that we have set as a community, or given the community its rightful voice in these decisions.

We understand that City staff have been overwhelmed with community health and housing issues, and that COVID-related constraints have limited community engagement in many ways. This is why we are doing our part to ensure a proper recourse in this issue that is of extremely high importance and consequence to our health, livability, and integrity as a community. We respectfully request the following actions from City staff:

- 1. Approve this appeal, and withdraw the LUCS of 6/4/21 for Hollingsworth & Vose.**
- 2. Follow Conditional Development process for LUCS issuance as prescribed by code, and alert H&V that they are out of Compliance with their existing LUCS.**
- 3. Any new approved LUCS would need to correct factual errors noted above, including the nonconforming use status of Glass Fiber #1**

We look forward to your response, as this issue will continue to be of high interest and concern in the community. We will continue to pursue a constructive community discussion that engages our concerned citizens, H&V, DEQ, and other stakeholders, and leads to meaningful long-term solutions for our community and for H&V.

Sincerely,

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ATTACHMENTS

- A – Timeline
- B – Initial Inquiry to staff
- C – Community letter to H&V and City staff
- D – 2021 LUCS & City-H&V Agreement
- E – Qtr 1 2020 H&V Emissions report
- F – Prior City Zoning

ATTACHMENT A

Time sequence of relevant events / actions

Time	Action	Relevance
1973	<ul style="list-style-type: none"> Willamette River Greenway (State Planning Goal 15) zone created to improve Willamette River environment/aesthetics, and remove industrial uses / blight from Willamette River 	Sets specific guidance for counties and cities to treat riverfront lands along the Willamette River
1987	<ul style="list-style-type: none"> Evans Products / Evanite properties annexed into the City of Corvallis with 'General Industrial' zoning to fit the use at that time 	
1995/96	<ul style="list-style-type: none"> H&V Acquisition of Evans Products and Plant Redevelopment LUCS issued by City for H&V activities to support DEQ air discharge permit 	<i>No known emissions testing performed/reported by H&V or DEQ</i>
1999	<ul style="list-style-type: none"> MUT Zone created by City to transition industrial activities to less intensive uses 	Sets specific stricter codes to limit intensification/expansion, and encourage less intensive uses
2004	<ul style="list-style-type: none"> LUCS amended by City, in response to revised DEQ pollution calculations, to support DEQ air discharge permit 	<i>No known emissions testing performed/reported by H&V or DEQ</i>
2014/15	<ul style="list-style-type: none"> DEQ testing for permit renewal reveals H&V emissions levels far exceeding permitting levels (CO is in federally regulated class) 	DEQ performs emissions testing. H&V is now in open violation of its 2004 LUCS, and DEQ air discharge permit (and apparently has been in violation since beginning operation)
2015/16	<ul style="list-style-type: none"> H&V gets PSD permit and Mutual Agreement Order from DEQ to temporarily allow emissions while H&V applies for new DEQ and EPA Title V permit 	H&V remains in violation of the 2004 LUCS
2019	<ul style="list-style-type: none"> Citizen letter to H&V and City leaders outline major concerns with H&V operations and intensification, along with demands for community safety and trust, and invites constructive discourse toward solutions 	No response from H&V addressing community concerns and demand for constructive engagement
2021	<ul style="list-style-type: none"> H&V's application for new DEQ air discharge and EPA Title V permit, which requires a new LUCS from the City <ul style="list-style-type: none"> Should trigger Willamette River Greenway Code for Conditional Development Should trigger MUT code for Conditional Development 	<ul style="list-style-type: none"> Corvallis City staff issue LUCS without Conditional Development or any public land use process City engages in an agreement with H&V to support staff-issued LUCS

Attachment B. Initial Inquiry to staff

June 23, 2021

Paul Bilotta, Director
Community Development Department
City of Corvallis
P.O. Box
Corvallis, OR 97339

RE: Land Use Compatibility Statement for Hollingsworth & Vose

Dear Paul:

Thank you for including us in the distribution list providing a copy of the June 4, 2021, Land Use Compatibility Statement (LUCS) issued by the City for the Hollingsworth & Vose updated Air Contaminant Discharge Permit.

We also appreciated your efforts, over several emails, to explain the City's thinking about the process, and its relationship to our Land Development Code (LDC) requirements. However, parts of the explanation concerned us, or brought up additional questions:

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for the zoning of each plant. H&V could expand its production or its fiberizing lines, or change its product mix—if it was able to stay within its external emissions levels (most recently the revised 2004 limits), it would not be considered an intensification or development requiring Conditional Development review, unless it applied for physical expansion. Exceeding those City-approved 1996 (revised 2004) limits, and needing a new DEQ permit, by itself would indicate a “change in operation,” whether due to increased production, poor maintenance of equipment, aging scrubbers, etc.—the City does not have to investigate which “change” resulted in the need for higher emissions limits.

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 - However, as you know, the property occupied by Glass Plant #1 was General Industrial at the time of the change to MUT, as it had been since prior to annexation to the City. Glass Plant #1 is therefore a legally non-conforming intensive industrial use, as it was under its pre-existing zoning as General Industrial.

- If the Agreement results in no increase in air discharges over 2004 limits at either plant, correction of this error may not change your determination of compatibility at this time. However, as a signed statement to DEQ, and to avoid future misunderstandings, it needs to be amended for accuracy.
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Questions/concerns regarding the Emission Rate Agreement between H&V and the City:

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- Terms of Agreement No. 3 also states that “compliance with this requirement shall be demonstrated annually using the formula in Attachment 3.” This prompts several questions:
 - What is the validated scientific basis for the formula? Is it based on independent measurements for each of the activities listed for H&V, and the actual emissions over that period? Has it been accepted by DEQ or another regulatory body as a reasonable substitute for actual emissions testing? Since Glass Plants 1 & 2 utilize different emission control technologies, how is that factored in? Please provide the documentation submitted by H&V to support use of this formula as a representation of actual emissions, which their 2004 permit required.
- Given your concern about loopholes in the language of the MUT chapter, we are surprised at the ambiguous language in Terms of Agreement Nos. 4 and 5.
 - No. 4 requires notification if seeking “an air permit modification authorizing expansion of operations at the Facility.” To meet the language in the Code, this should be worded as “an air permit modification authorizing an increase in emissions,” even if there is no expansion of operations.

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 - Please provide your interpretation of how No. 4 and No. 5 allow enforcement of our MUT Code requirements.
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 - Did H&V show other evidence prior to the LUCS signing that it had decreased CO emissions to the permitted levels?
 - If not, at what point will the City require evidence that they are within the terms of the Agreement, which was effective April 28, 2021?
 - If their evidence is baseline, present-day “formula” calculations, please provide those, and explain how the City resolved the difference between the formula calculations and actual emissions reporting.

Please respond to the questions above, and provide the material requested. We understand that some responses may be more complex than others. However, all questions asked and documents requested should be ones the City considered in its due diligence in this matter. Please send the following as soon as possible, or indicate that the documents were not provided by H&V:

- Staff’s intent to file an amended LUCS to correctly identify Glass Plant #1 as a legal non-conforming use.
- H&V’s full description of the project (LUCS Section 1C), beyond the brief outline in the Emissions Rate Agreement.

- Evidence provided by H&V of the scientific validation of the formula in Attachment 3.
- Evidence provided by H&V of their compliance with the 2004 emission limits on the effective date of the Agreement. (Through DEQ, we will be requesting a copy of their April-June 2021 quarterly actual CO emissions report, due July 30, for comparison.)

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This has been, and will continue to be, of high interest and concern in the community. We look forward to your response.

Sincerely,

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2030 SE DeBord Street
Corvallis, OR 97333
howellt@peak.org
bennerp@peak.org

Jeremy Monroe
550 SE Chester Avenue
Corvallis, OR 97333
jeremy@freshwatersillustrated.org

Barbara Bull
3744 NW Van Buren Avenue
Corvallis, OR 97330
barbara.m.bull@gmail.com

Attachment

Attachment C

Community Letter to H&V and City Leadership (300+ signers)

January 8, 2019

Cindy Frost, Site Manager
Hollingsworth & Vose
1115 SE Crystal Lake Dr
Corvallis, OR 97333

cc: Ken Fausnacht, Vice President of Global Operations
cc: Val Hollingsworth, President
cc: City Councilors Hyatt Lytle (Ward 3), Charles Maughan (Ward 2)
cc: Planning Commission, Paul Bilotta, Planning Director, Barbara Bull, Planning Commission Liaison

Dear Ms. Frost,

We thank you for your increased correspondence to neighbors and for the efforts you are making to keep us informed of the improvements to the Hollingsworth & Vose plant and property. Amidst the recent forums and ongoing discourse focused around your regulatory compliance issues, we see a need to begin a broader and proactive discussion that leads to more meaningful outcomes for our community safety and health. We are writing as a group of organized South Corvallis residents to start this discussion, and to make a clear and concerted appeal for our needs as a community.

We recognize that Hollingsworth and Vose is a major employer and taxpayer in Corvallis, and we see the value of the products that you produce. H&V has a substantial presence in South Corvallis, occupying over 40 acres in its properties and a large portion of Corvallis' Willamette River Greenway. As neighbors, we feel the H&V footprint is in some ways larger than the physical factory site, as it lays along what many of us refer to as the 'bottleneck' between Southtown and downtown Corvallis, where commuters are squeezed onto and along Highway 99 and through some of our community's most dangerous intersections and crossings. The location of the H&V site also impedes our access to parks, water, and green spaces, specifically the Willamette and Marys Rivers and the Mill Race.

We also have concerns that H&V is intensifying and prolonging its activities under what is essentially a grandfathered situation close to our neighborhoods, recreation areas, and natural areas. The pending H&V application to become a Title V Air Pollution Emitter under US EPA oversight is troubling for many of us, as it comes after several years of non-permitted emissions, and we see that H&V is requesting increased production capacity in this permitting process. We view both the increased emissions and production capacity as intensifications of industrial use,

which are generally in conflict with the planning documents and zoning regulations that guide the use of H&V properties. These documents include the Willamette River Greenway mandate (State Planning Goal 15, 1973), the South Corvallis Area Refinement Plan (1998) that inspired the MUT zoning and documents a vision for our community, and the Mixed Use Transitional (MUT) zone that H&V occupies, which mandates conditional development approval for any significant developments and changes of use (Corvallis Master Plan).

Our concerns are somewhat compounded by the fact that H&V has had other problems in recent years to comply with regulations essential to community and environmental health. In addition to the sustained air emissions violation, H&V has had at least two water pollution violations in the last 6 years, and inherited a major contamination of Trichloroethylene (TCE) in soil and groundwater from the former Evanite Corporation. With this history of pollution incidents, you can see how many of us have concerns about the continued operation and intensification of activities at this industrial site. Given your location next to neighborhoods, parks, and natural areas, and the aging structures and systems on your site, we can't help but anticipate continued risks for our community's air, water, and soil.

We are now watching the commendable efforts H&V is making to improve its emissions filtration systems, which promise reductions in certain airborne contaminants, along with the aesthetic improvements being made along property margins. We appreciate the spirit of these improvements, which are clearly very costly, and we applaud the more neighborly identity you are developing. We hear this neighborly tone in H&V Vice President, Ken Fausnacht's words, "we want to position ourselves for the long-term viability of this site and we want to show that we're responding to the concerns of the community we want to be here for the long haul, and we know we can't be here for the long haul unless we make changes" (Gazette-Times, June 2017). However, we also hear in this statement a long term intention, which is echoed in your recent words "we want to be a neighbor for 20 years, we can't do what we've always done" (G-T, Oct 2018). This long-term intent is at odds with our expressed vision as a community, since it conflicts with the goals of the Willamette River Greenway, the South Corvallis Area Refinement Plan, and the zoning on which H&V sits, and so we are now motivated to make very clear the health and safety needs we have as a community, and to advocate more strongly for those needs.

If H&V is to be a valued and successful long-term member of the Corvallis community, it is essential that you understand the needs of your neighbors, and look for ways to honor our long-term shared goals:

1) Maintaining a clean, safe, and healthy environment, through:

- Frequent and diligent monitoring and reporting of air quality emissions, and reporting of results to the community in a transparent manner
- Abandonment of the waste pipe through the Willamette River and the wastewater pond on the east bank of the River, both of which have failed in recent years
- Continued diligence and aggressive action to complete clean-up of the TCE contaminated areas
- A proactive and transparent approach to other potential spills, brownfields, and safety and pollution risks on your properties

- Measurable and meaningful improvements in factory noise pollution
- Continued monitoring and clean-up of riverside camps and littered areas

2) Creating access to and movement along our community waters and arterial pathways, which include:

- A riverfront path and broad riparian corridor along the Willamette River that offers safe movement for bikers and walkers, and an alternative connection to downtown (see Corvallis Parks & Rec Master Plan)
- A re-opening of Chapman Avenue connection to Crystal Lake for pedestrians and bikers (see Corvallis Public Works Transportation Systems Plan documents)
- An eventual easement along and daylighting of the Mill Race, when reconcilable with the TCE clean-up process

These are not new needs or requests, but those that have been voiced and documented for years by many in our community. Indeed, it is now almost 50 years since the Willamette River Greenway Goal 15 was established, 20 years since the South Corvallis Area Refinement Plan was adopted, and nearly as long since the Mixed Use Transitional Zone was created specifically for H&V lands.

We invite you to think creatively about our listed needs and share your ideas of how they might be met while allowing H&V to prosper and develop in our community. We are committed to working with our City leaders and community representatives to find collaborative solutions to these needs, and we are eager to begin this more constructive discussion. We look forward to your response in the coming weeks.

Your neighbors with concern,

Jeremy Monroe & family
 Carly & David Lettero & family
 Charles Goodrich & family
 John Ame & family
 Miriam Edell & family
 Dylan Horne
 Sara Kellogg
 Jeremy & Rebecca Olson-Colson & family
 Josiah Fisher & family
 Bruce Austin & family
 Andrew Millison & family
 Vince Adams & family
 Linda Johansen

Jay and Evan Thatcher
Josh Standig
Anne Arquette
Anne and Denis White
Jill Soth
Otmar Ebenhoech
Leela Devi & family
Carol Soth
Julie Wasmer
Melissa Foree
David Lytle
Josh Standig
Kathleen & Dan Fowler
Nance & Randy Kiesling
Ariel Ginsburg
Abby & Ben Metzger
Craig and April Hall Cutting
Sarah Beldin & family
Heath Keirstead & David Pitot
Jennah Stillman
Tony Howell & Patricia Benner
Mark Taratoot
Deborah Carey
Lora and Jean-Paul Zagarola
David Herasimtschuk
Sarah Beldin & Family
George Brown and Rebecka Weinstein Family
Additional signatures online

ATTACHMENT A

Time sequence of relevant events / actions

Time	Action	Relevance
1973	<ul style="list-style-type: none"> Willamette River Greenway (State Planning Goal 15) zone created to improve Willamette River environment/aesthetics, and remove industrial uses / blight from Willamette River 	Sets specific guidance for counties and cities to treat riverfront lands along the Willamette River
1987	<ul style="list-style-type: none"> Evans Products / Evanite properties annexed into the City of Corvallis with 'General Industrial' zoning to fit the use at that time 	
1995/96	<ul style="list-style-type: none"> H&V Acquisition of Evans Products and Plant Redevelopment LUCS issued by City for H&V activities to support DEQ air discharge permit 	<i>No known emissions testing performed/reported by H&V or DEQ</i>
1999	<ul style="list-style-type: none"> MUT Zone created by City to transition industrial activities to less intensive uses 	Sets specific stricter codes to limit intensification/expansion, and encourage less intensive uses
2004	<ul style="list-style-type: none"> LUCS amended by City, in response to revised DEQ pollution calculations, to support DEQ air discharge permit 	<i>No known emissions testing performed/reported by H&V or DEQ</i>
2014/15	<ul style="list-style-type: none"> DEQ testing for permit renewal reveals H&V emissions levels far exceeding permitting levels (CO is in federally regulated class) 	DEQ performs emissions testing. H&V is now in open violation of its 2004 LUCS, and DEQ air discharge permit (and apparently has been in violation since beginning operation)
2015/16	<ul style="list-style-type: none"> H&V gets PSD permit and Mutual Agreement Order from DEQ to temporarily allow emissions while H&V applies for new DEQ and EPA Title V permit 	H&V remains in violation of the 2004 LUCS
2019	<ul style="list-style-type: none"> Citizen letter to H&V and City leaders outline major concerns with H&V operations and intensification, along with demands for community safety and trust, and invites constructive discourse toward solutions 	No response from H&V addressing community concerns and demand for constructive engagement
2021	<ul style="list-style-type: none"> H&V's application for new DEQ air discharge and EPA Title V permit, which requires a new LUCS from the City <ul style="list-style-type: none"> Should trigger Willamette River Greenway Code for Conditional Development Should trigger MUT code for Conditional Development 	<ul style="list-style-type: none"> Corvallis City staff issue LUCS without Conditional Development or any public land use process City engages in an agreement with H&V to support staff-issued LUCS

Attachment B. Initial Inquiry to staff

June 23, 2021

Paul Bilotta, Director
Community Development Department
City of Corvallis
P.O. Box
Corvallis, OR 97339

RE: Land Use Compatibility Statement for Hollingsworth & Vose

Dear Paul:

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Corvallis, OR 97333

cc: Ken Fausnacht, Vice President of Global Operations
cc: Val Hollingsworth, President
cc: City Councilors Hyatt Lytle (Ward 3), Charles Maughan (Ward 2)
cc: Planning Commission, Paul Bilotta, Planning Director, Barbara Bull, Planning Commission Liaison

Dear Ms. Frost,

We thank you for your increased correspondence to neighbors and for the efforts you are making to keep us informed of the improvements to the Hollingsworth & Vose plant and property. Amidst the recent forums and ongoing discourse focused around your regulatory compliance issues, we see a need to begin a broader and proactive discussion that leads to more meaningful outcomes for our community safety and health. We are writing as a group of organized South Corvallis residents to start this discussion, and to make a clear and concerted appeal for our needs as a community.

We recognize that Hollingsworth and Vose is a major employer and taxpayer in Corvallis, and we see the value of the products that you produce. H&V has a substantial presence in South Corvallis, occupying over 40 acres in its properties and a large portion of Corvallis' Willamette River Greenway. As neighbors, we feel the H&V footprint is in some ways larger than the physical factory site, as it lays along what many of us refer to as the 'bottleneck' between Southtown and downtown Corvallis, where commuters are squeezed onto and along Highway 99 and through some of our community's most dangerous intersections and crossings. The location of the H&V site also impedes our access to parks, water, and green spaces, specifically the Willamette and Marys Rivers and the Mill Race.

We also have concerns that H&V is intensifying and prolonging its activities under what is essentially a grandfathered situation close to our neighborhoods, recreation areas, and natural areas. The pending H&V application to become a Title V Air Pollution Emitter under US EPA oversight is troubling for many of us, as it comes after several years of non-permitted emissions, and we see that H&V is requesting increased production capacity in this permitting process. We view both the increased emissions and production capacity as intensifications of industrial use,

which are generally in conflict with the planning documents and zoning regulations that guide the use of H&V properties. These documents include the Willamette River Greenway mandate (State Planning Goal 15, 1973), the South Corvallis Area Refinement Plan (1998) that inspired the MUT zoning and documents a vision for our community, and the Mixed Use Transitional (MUT) zone that H&V occupies, which mandates conditional development approval for any significant developments and changes of use (Corvallis Master Plan).

Our concerns are somewhat compounded by the fact that H&V has had other problems in recent years to comply with regulations essential to community and environmental health. In addition to the sustained air emissions violation, H&V has had at least two water pollution violations in the last 6 years, and inherited a major contamination of Trichloroethylene (TCE) in soil and groundwater from the former Evanite Corporation. With this history of pollution incidents, you can see how many of us have concerns about the continued operation and intensification of activities at this industrial site. Given your location next to neighborhoods, parks, and natural areas, and the aging structures and systems on your site, we can't help but anticipate continued risks for our community's air, water, and soil.

We are now watching the commendable efforts H&V is making to improve its emissions filtration systems, which promise reductions in certain airborne contaminants, along with the aesthetic improvements being made along property margins. We appreciate the spirit of these improvements, which are clearly very costly, and we applaud the more neighborly identity you are developing. We hear this neighborly tone in H&V Vice President, Ken Fausnacht's words, "we want to position ourselves for the long-term viability of this site and we want to show that we're responding to the concerns of the community we want to be here for the long haul, and we know we can't be here for the long haul unless we make changes" (Gazette-Times, June 2017). However, we also hear in this statement a long term intention, which is echoed in your recent words "we want to be a neighbor for 20 years, we can't do what we've always done" (G-T, Oct 2018). This long-term intent is at odds with our expressed vision as a community, since it conflicts with the goals of the Willamette River Greenway, the South Corvallis Area Refinement Plan, and the zoning on which H&V sits, and so we are now motivated to make very clear the health and safety needs we have as a community, and to advocate more strongly for those needs.

If H&V is to be a valued and successful long-term member of the Corvallis community, it is essential that you understand the needs of your neighbors, and look for ways to honor our long-term shared goals:

1) Maintaining a clean, safe, and healthy environment, through:

- Frequent and diligent monitoring and reporting of air quality emissions, and reporting of results to the community in a transparent manner
- Abandonment of the waste pipe through the Willamette River and the wastewater pond on the east bank of the River, both of which have failed in recent years
- Continued diligence and aggressive action to complete clean-up of the TCE contaminated areas
- A proactive and transparent approach to other potential spills, brownfields, and safety and pollution risks on your properties

- Measurable and meaningful improvements in factory noise pollution
- Continued monitoring and clean-up of riverside camps and littered areas

2) Creating access to and movement along our community waters and arterial pathways, which include:

- A riverfront path and broad riparian corridor along the Willamette River that offers safe movement for bikers and walkers, and an alternative connection to downtown (see Corvallis Parks & Rec Master Plan)
- A re-opening of Chapman Avenue connection to Crystal Lake for pedestrians and bikers (see Corvallis Public Works Transportation Systems Plan documents)
- An eventual easement along and daylighting of the Mill Race, when reconcilable with the TCE clean-up process

These are not new needs or requests, but those that have been voiced and documented for years by many in our community. Indeed, it is now almost 50 years since the Willamette River Greenway Goal 15 was established, 20 years since the South Corvallis Area Refinement Plan was adopted, and nearly as long since the Mixed Use Transitional Zone was created specifically for H&V lands.

We invite you to think creatively about our listed needs and share your ideas of how they might be met while allowing H&V to prosper and develop in our community. We are committed to working with our City leaders and community representatives to find collaborative solutions to these needs, and we are eager to begin this more constructive discussion. We look forward to your response in the coming weeks.

Your neighbors with concern,

Jeremy Monroe & family
 Carly & David Lettero & family
 Charles Goodrich & family
 John Ame & family
 Miriam Edell & family
 Dylan Horne
 Sara Kellogg
 Jeremy & Rebecca Olson-Colson & family
 Josiah Fisher & family
 Bruce Austin & family
 Andrew Millison & family
 Vince Adams & family
 Linda Johansen

Jay and Evan Thatcher
Josh Standig
Anne Arquette
Anne and Denis White
Jill Soth
Otmar Ebenhoech
Leela Devi & family
Carol Soth
Julie Wasmer
Melissa Foree
David Lytle
Josh Standig
Kathleen & Dan Fowler
Nance & Randy Kiesling
Ariel Ginsburg
Abby & Ben Metzger
Craig and April Hall Cutting
Sarah Beldin & family
Heath Keirstead & David Pitot
Jennah Stillman
Tony Howell & Patricia Benner
Mark Taratoot
Deborah Carey
Lora and Jean-Paul Zagarola
David Herasimtschuk
Sarah Beldin & Family
George Brown and Rebecka Weinstein Family
Additional signatures online

Attachment D (following pages)
2021 LUCS & City-H&V Agreement



Land Use Compatibility Statement

What is a Land Use Compatibility Statement?

A LUCS is a form developed by DEQ to determine whether a DEQ permit or approval will be consistent with local government comprehensive plans and land use regulations.

Why is a LUCS required?

DEQ and other state agencies with permitting or approval activities that affect land use are required by Oregon law to be consistent with local comprehensive plans and have a process for determining consistency. DEQ activities affecting land use and the requirement for a LUCS may be found in Oregon Administrative Rules (OAR) Chapter 340, Division 18.

When is a LUCS required?

A LUCS is required for nearly all DEQ permits and certain approvals of plans or related activities that affect land use prior to issuance of a DEQ permit or approval. These permits and activities are listed in section 1.D on p. 2 of this form. A single LUCS can be used if more than one DEQ permit or approval is being applied for concurrently.

Permit modifications or renewals also require a LUCS when any of the following applies:

1. Physical expansion on the property or proposed use of additional land;
2. Alterations, expansions, improvements or changes in method or type of disposal at a solid waste disposal site as described in OAR 340-093-0070(4)(b);
3. A significant increase in discharges to water;
4. A relocation of an outfall outside of the source property; or
5. Any physical change or change of operation of an air pollutant source that results in a net significant emission rate increase as defined in OAR 340-200-0020.

How to complete a LUCS:

Step	Who does it?	What happens?
1.	Applicant	Applicant completes Section 1 of the LUCS and submits it to the appropriate city or county planning office.
2.	City or County Planning Office	City or county planning office completes Section 2 of the LUCS to indicate whether the activity or use is compatible with the acknowledged comprehensive plan and land use regulations, attaches written findings supporting the decision of compatibility, and returns the signed and dated LUCS to the applicant.
3.	Applicant	Applicant submits the completed LUCS and any supporting information provided by the city or county to DEQ along with the DEQ permit application or approval request.

Where to get help:

For questions about the LUCS process, contact the DEQ staff responsible for processing the permit or approval. DEQ staff may be reached at 1-800-452-4011 (toll-free, inside Oregon) or 503-229-5630. For general questions, please contact DEQ land use staff listed on our [Land Use Compatibility Statement page](#) online.

Cultural resources protection laws:

Applicants involved in ground-disturbing activities should be aware of federal and state cultural resources protection laws. ORS 358.920 prohibits the excavation, injury, destruction, or alteration of an archeological site or object or removal of archeological objects from public and private lands without an archeological permit issued by the State Historic Preservation Office. 16 USC 470, Section 106, National Historic Preservation Act of 1966 requires a federal agency, prior to any undertaking, to take into account the effect of the undertaking that is included on or eligible for inclusion in the National Register. For further information, contact the State Historic Preservation Office at 503-378-4168, ext. 232.

Land Use Compatibility Statement

Section 1 – To be completed by the applicant

1A. Applicant Name: Hollingsworth & Vose	1B. Project Name: Ceramic Filter Units/ Updated ACDP
Contact Name: Cindy Frost	Physical Address: 1115 SE Crystal Lake Drive
Mailing Address: 1115 SE Crystal Lake Drive	City, State, Zip: Corvallis, OR 97333
City, State, Zip: Corvallis, OR 97333	Tax Lot #: (1)12502D000300 (2)12502CA01200
Telephone: 541-738-5323	Township: 12 Range: 5 Section: 2
Tax Account #: 420925 09-01	Latitude: (1) 44.5518"N (2) 44.5536"N
	Longitude: (1) 123.2570"W (2) 123.2616"W

1C. Describe the project, include the type of development, business, or facility and services or products provided (attach additional information if necessary):

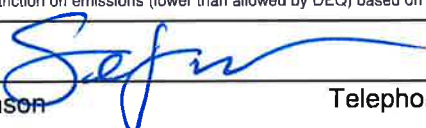
See Attachment

1D. Check the type of DEQ permit(s) or approval(s) being applied for at this time.

- | | |
|---|---|
| <input type="checkbox"/> Air Quality Notice of Construction | <input type="checkbox"/> Clean Water State Revolving Fund Loan Request |
| <input checked="" type="checkbox"/> Air Contaminant Discharge Permit | <input type="checkbox"/> Wastewater/Sewer Construction Plan/ Specifications (includes review of plan changes that require use of new land) |
| <input checked="" type="checkbox"/> Air Quality Title V Permit | <input type="checkbox"/> Water Quality NPDES Individual Permit |
| <input type="checkbox"/> Air Quality Indirect Source Permit | <input type="checkbox"/> Water Quality WPCF Individual Permit (for onsite construction-installation permits use the DEQ <u>Onsite LUCS form</u>) |
| <input type="checkbox"/> Parking/Traffic Circulation Plan | <input type="checkbox"/> Water Quality NPDES Stormwater General Permit (1200-A, 1200-C, 1200-CA, 1200-COLS, and 1200-Z) |
| <input type="checkbox"/> Solid Waste Land Disposal Site Permit | <input type="checkbox"/> Water Quality General Permit (all general permits, except 600, 700-PM, 1700-A, and 1700-B when they are mobile) |
| <input type="checkbox"/> Solid Waste Treatment Facility Permit | <input type="checkbox"/> Water Quality 401 Certification for federal permit or license |
| <input type="checkbox"/> Solid Waste Composting Facility Permit (includes Anaerobic Digester) | |
| <input type="checkbox"/> Conversion Technology Facility Permit | |
| <input type="checkbox"/> Solid Waste Letter Authorization Permit | |
| <input type="checkbox"/> Solid Waste Material Recovery Facility Permit | |
| <input type="checkbox"/> Solid Waste Energy Recovery Facility Permit | |
| <input type="checkbox"/> Solid Waste Transfer Station Permit | |
| <input type="checkbox"/> Waste Tire Storage Site Permit | |
| <input type="checkbox"/> Pollution Control Bond Request | |
| <input type="checkbox"/> Hazardous Waste Treatment, Storage or Disposal Permit | |

This application is for: ☐ Permit Renewal ☐ New Permit ☒ Permit Modification ☐ Other:

Section 2 – To be completed by city or county planning official

Applicant name: Hollingsworth & Vose (Cindy Frost)	Project name: Hollingsworth & Vose
Instructions: Written findings of fact for all local decisions are required; written findings from previous actions are acceptable. For uses allowed outright by the acknowledged comprehensive plan, DEQ will accept written findings in the form of a reference to the specific plan policies, criteria, or standards that were relied upon in rendering the decision with an indication of why the decision is justified based on the plan policies, criteria, or standards.	
2A. The project proposal is located: <input checked="" type="checkbox"/> Inside city limits <input type="checkbox"/> Inside UGB <input type="checkbox"/> Outside UGB	
2B. Name of the city or county that has land use jurisdiction (the legal entity responsible for land use decisions for the subject property or land use): Corvallis	
2C. <input checked="" type="checkbox"/> This project is not within the jurisdiction of any other land use, zoning, or planning entity <input type="checkbox"/> This project is also within the jurisdiction of the following land use, zoning, or planning entity _____	
2D. Is the activity allowed under Measure 49 (2007)? <input checked="" type="checkbox"/> No, Measure 49 is not applicable <input type="checkbox"/> Yes, if yes, then check one: <input type="checkbox"/> Express; approved by DLCD order #: <input type="checkbox"/> Conditional; approved by DLCD order #: <input type="checkbox"/> Vested; approved by local government decision or court judgment docket or order #:	
2E. Is the activity a composting facility? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes; Senate Bill 462 (2013) notification requirements have been met.	
2F. Is the activity or use compatible with your acknowledged comprehensive plan as required by OAR 660-031? Please complete this form to address the activity or use for which the applicant is seeking approval (see 1.C on the previous page). If the activity or use is to occur in multiple phases, please ensure that your approval addresses the phases described in 1C. For example, if the applicant's project is described in 1C. as a subdivision and the LUCS indicates that only clearing and grading are allowed outright but does not indicate whether the subdivision is approved, DEQ will delay permit issuance until approval for the subdivision is obtained from the local planning official. <input type="checkbox"/> The activity or use is specifically exempt by the acknowledged comprehensive plan; explain: <input type="checkbox"/> Yes, the activity or use is pre-existing nonconforming use allowed outright by (provide reference for local ordinance): <input checked="" type="checkbox"/> Yes, the activity or use is allowed outright by (provide reference for local ordinance): The existing Intensive Industrial use is permitted by right based on the MUT zone standards. The MUT zone was adopted as part of the 2006 Corvallis Land Development Code / periodic review update (Ordinances 2006-24 and 2006-29). <input type="checkbox"/> Yes, the activity or use received preliminary approval that includes requirements to fully comply with local requirements; findings are attached. <input type="checkbox"/> Yes, the activity or use is allowed; findings are attached. <input type="checkbox"/> No, see 2D. above, activity or use allowed under Measure 49; findings are attached. <input type="checkbox"/> No, (complete below or attach findings for noncompliance and identify requirements the applicant must comply with before compatibility can be determined): Relevant specific plan policies, criteria, or standards: Provide the reasons for the decision:	
Additional comments (attach additional information as needed): <small>The MUT zone requires a Conditional Development approval if the use intensifies (a change in operation or increase in production that creates need to obtain permit from DEQ because emissions have increased). H & V has entered into voluntary restriction on emissions (lower than allowed by DEQ) based on agreement with City of Corvallis. Exhibit A - Emission Rate Agreement is attached to this LUCS.</small>	
Planning Official Signature: 	Title: Planning Division, Senior Planner
Print Name: Sarah Johnson	Telephone #: 541-766-6574 Date: 6/4/2021
If necessary, depending upon city/county agreement on jurisdiction outside city limits but within UGB:	
Planning Official Signature:	Title:
Print Name:	Telephone #: Date:

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email deqinfo@deq.state.or.us.

Emission Rate Agreement

This Emission Rate Agreement ("Agreement") is made and entered into effective April 28, 2021 ("Effective Date"), by and between the City of Corvallis ("City") and Hollingsworth & Vose Fiber Company ("H&V").

RECITALS

- A. H&V owns and operates a fiber manufacturing facility located in the City of Corvallis, Oregon (the "Facility").
- B. In 1996, H&V's predecessor (Evanite Fiber) obtained a Land Use Compatibility Statement ("LUCS") from the City and an air permit from the Oregon Department of Environmental Quality ("DEQ") authorizing a substantial expansion of the Facility consisting of increasing the existing Plant 1 to include 30 fiberizing positions and constructing a new Plant 2 consisting of 42 fiberizing positions (the "1996 air permit"). H&V has not, to date, built all of the fiberizing positions allowed by the 1996 LUCS/air permit.
- C. The 1996 LUCS included estimated air emission rates intended to reflect the intensity of use associated with use of the equipment authorized by the 1996 air permit (the "emission rates").
- D. As information and measurement technology have improved, the emission rates associated with use of the equipment and production levels authorized by the 1996 air permit have been refined. This occurred most recently in 2004. The 1996 and 2004 LUCS limits for emissions are set out in Attachment 2.
- E. In 2017, the City Planning Commission approved a Willamette River Greenway Conditional Development Permit and H&V installed new air filters that substantially reduced particulate and Fluoride emissions.
- F. H&V has applied for a revised air permit that would revise its emission limits to reflect the new air filters and new testing data showing higher carbon monoxide emissions (the "2021 air permit").
- G. Although the DEQ permit allows emissions that exceed what the 1996 and 2004 LUCS allow, H&V will not increase operation or production levels beyond what was allowed in 2004 without requesting a Conditional Use Permit.
- H. H&V and the City wish to memorialize the updated emission rates reflective of the new air filters and the improved understanding of historical carbon monoxide emissions.

NOW THEREFORE, in consideration of the foregoing Recitals, the parties agree as follows.


TERMS OF AGREEMENT

- 1. The City finds that the ongoing operation and production levels of the Facility consistent with the intensity of use evaluated in relation to the 1996 LUCS is consistent with all applicable land use requirements.
- 2. The DEQ permitted emission rates are revised as shown in the table included as Attachment 1 to this Agreement.

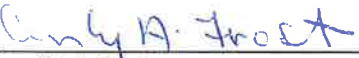
3. H&V will limit operations and production so that emissions will stay at the same effective levels as in 2004, notwithstanding the DEQ permitted higher limits. Compliance with this requirement shall be demonstrated annually using the formula in Attachment 3.
4. A minimum of 3 months prior to seeking an air permit modification authorizing expansion of operations at the Facility, H&V will submit a Land Use Compatibility Statement to the City for consideration.
5. A minimum of 3 months prior to any planned increase in production that based on modeling/analysis/sampling is reasonably likely to increase actual emission of pollutants beyond the 1996/2004 LUCS limits (calculated as shown in Attachment 3), H&V will submit an application for a Conditional Development Permit to the City for approval prior to this increase.
6. By no later than March 15 of each year, H&V shall submit a report to the City demonstrating that emissions did not exceed the 2004 LUCS limits during the previous calendar year using the methodology shown in Attachment 3.
7. If testing required by the 2021 air permit provides a more accurate estimate of the emission rates in Attachment 1, H&V shall provide the City with an updated version of the tables in Attachment 1 within 30 days of DEQ approving the test results.

IN WITNESS WHEREOF, this Agreement is executed effective as of the Effective Date.

City of Corvallis

By: 
Name: MARK SHEPARD
Its: CITY MANAGER

Hollingsworth & Vose Fiber Company

By: 
Name: Cindy Frost
Its: Site Manager, Hollingsworth & Vose

Approved As to Form:


City Attorney

Attachment 1
Emission Rates (2021)

PM	PM₁₀	CO	SO₂	NO_x	VOC	Fluoride
24	14	986	39	40	39	1

Attachment 2
1996 / 2004 LUCS limits

Pollutant	Glass Plant #1		Glass Plant #2	
	1996 LUCS Emission Limit [Tons/Year]	2004 Adjustment LUCS Limit [Tons/Year]	1996 LUCS Emission Limit [Tons/Year]	2004 Adjustment LUCS Limit [Tons/Year]
PM	24.3	24.3	22.0	22.0
PM₁₀	17.2	17.2	22.0	22.0
CO	7.6	30.4	7.6	30.4
SO₂	1.0	0.6	20.5	13.4
NOX	36.2	36.2	31.5	31.5
VOC	1.9	2.0	76.0	78.9
Gaseous Fluoride	0.5	0.6	2.1	1.4

NOTE: Emission rates reflect original limits set with 1996 LUCS and DEQ air permit, along with approved adjustment that occurred in 2004, based on City's acknowledgment of DEQ emissions factor adjustments. Emissions are voluntarily restricted to the 2004 Adjustment LUCS limits in these tables, as set out in the agreement.

Attachment 3
Methodology for Demonstrating Compliance with 2004 Adjustment LUCS Limits

Compliance with the 2004 Adjustment LUCS Limits shall be based on the following calculation for each pollutant:

$$E = \sum(EF \times P)/2000 \text{ lbs}$$

where,

E = pollutant emissions (tons/yr)
 EF = pollutant emission factor in Table 1 below
 P = process production

Table 1: Emission Factors

Emissions Device or Activity	Pollutant	Emission Factor (EF)	EF units
Raw material unloading & conveying	PM/PM10	0.03	pound/ton raw material
Raw material storage	PM/PM10	0.001	pound/ton raw material
Raw material weighing & mixing	PM/PM10	0.006	pound/ton raw material
Raw material batch mix storage	PM/PM10	0.002	pound/ton raw material
Glass melting and conditioning	PM	0.064	pound/ton glass
	PM10	0.044	pound/ton glass
	Fluorides	0.018	pound/ton glass
Rotary coarse glass fiber production	PM	1.194	pound/ton rotary coarse fiber
	PM10	0.836	pound/ton rotary coarse fiber
	Fluorides	0.018	pound/ton rotary coarse fiber
Rotary fine glass fiber production	PM	8.282	pound/ton rotary fine fiber
	PM10	5.798	pound/ton rotary fine fiber
	Fluorides	0.302	pound/ton rotary fine fiber
Flameblown glass fiber production	PM	12.164	pound/ton flameblown fiber
	PM10	8.514	pound/ton flameblown fiber
	Fluorides	0.358	pound/ton flameblown fiber
Natural gas combusted	SO2	1.7	pound/MMcf
	NOx	100	pound/MMcf
	CO	84	pound/MMcf
	VOC	5.5	pound/MMcf

Attachment E (following pages)
Quarter 1 2021 H&V Emissions Report

April 26, 2021

Ms. Karen White-Fallon
Department of Environmental Quality
4026 Fairview Industrial Dr.
Salem, OR 97302

**Re: CASE NO. AQ/V-WR-15-132
QUARTERLY CO CEMS MONITORING REPORT – 1ST QUARTER 2021
HOLLINGSWORTH & VOSE FIBER COMPANY, CORVALLIS, OR**

Dear Ms. White-Fallon:

This report is intended to comply with the requirements set forth in the Mutual Agreement and Final Order (MAO) No. AQ/V-WR-15-132 Addendum No. 1 between the Oregon Department of Environmental Quality (DEQ) and Hollingsworth & Vose Fiber Company (H&V Fiber) located in Corvallis, Oregon. The MAO requires that:

“Starting the first full calendar quarter after which the [Carbon Monoxide] CO [Continuous Emissions Monitoring Systems] CEMS is certified, H&V Fiber shall provide quarterly CO emissions to DEQ no later than 30 days after the end of the calendar quarter. The quarterly report shall identify the monthly emissions and rolling 12-month totals for each stack monitored using a CO CEMS.”

The quarterly CO CEMS report with the required monthly emissions for the 1st quarter of 2021 is presented in Table 1. Relative Accuracy Test Audits (RATAs) were most recently completed for Glass Plant 1 on May 18, 2020, and Glass Plant 2 on May 19-20, 2020.

The rolling 12-month total emission estimates for the two CEMS (CFU108, CFU112) at Glass Plant 1 and the two CEMS (CFU115, CFU118) at Glass Plant 2 have been provided in Table 1.

Please contact me at (541) 738-5382 if you have any comments or require additional information.

Sincerely,



Anita Ragan
Environmental Health & Safety Manager
cc: Cindy Frost, H&V Fiber

Table 1**Summary of CO CEMS Data Collected During the 1st Quarter of 2021 ⁽¹⁾****Hollingsworth & Vose Fiber Company - Corvallis, OR**

Month	CO CEMS Emission Estimates							
	Glass Plant 1				Glass Plant 2			
	CFU108		CFU112		CFU115		CFU118	
	Monthly (lb/mo)	Rolling 12-Month Total (ton/yr)	Monthly (lb/mo)	Rolling 12-Month Total (ton/yr)	Monthly (lb/mo)	Rolling 12-Month Total (ton/yr)	Monthly (lb/mo)	Rolling 12-Month Total (ton/yr)
January	-- ⁽²⁾	8.8 ⁽³⁾	4,005 ⁽⁴⁾	9.10 ⁽³⁾	8,798 ⁽⁴⁾	75.9 ⁽³⁾	7,794 ⁽⁴⁾	48.2 ⁽³⁾
February	-- ⁽²⁾	8.6 ⁽⁵⁾	3,369 ⁽⁴⁾	10.52 ⁽⁵⁾	8,025 ⁽⁴⁾	75.6 ⁽⁵⁾	6,672 ⁽⁴⁾	47.8 ⁽⁵⁾
March	-- ⁽²⁾	5.0 ⁽⁶⁾	1,169 ⁽⁴⁾	10.64 ⁽⁶⁾	8,590 ⁽⁴⁾	68.4 ⁽⁶⁾	8,139 ⁽⁴⁾	47.9 ⁽⁶⁾

References:

(1) The 1st quarter of 2021 represents the time period from January 1 to March 31, 2021.

(2) All positions that exhaust to CFU108 have been down since June 23, 2020. As a result, there were no monitored emissions at CFU108 during the 1st quarter of 2021.

(3) Represents the 12-month rolling total of CO emissions monitored at this CEMS between February 2020 and January 2021.

(4) Recorded CO CEMS emissions data representative of greater than 90% data completeness.

(5) Represents the 12-month rolling total of CO emissions monitored at this CEMS between March 2020 and February 2021.

(6) Represents the 12-month rolling total of CO emissions monitored at this CEMS between April 2020 and March 2021.

Attachment F

Prior City Zoning (1999). All H&V properties re-zoned to Mixed Use Transitional in 2000

